

Senate Bill No. 1824

Passed the Senate August 17, 2004

Secretary of the Senate

Passed the Assembly August 12, 2004

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day of
_____, 2004, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to amend Sections 1205 and 1218.1 of the Health and Safety Code, relating to clinics.

LEGISLATIVE COUNSEL'S DIGEST

SB 1824, Ducheny. Clinics: licensure.

Existing law regulates the licensure and operation of clinics, including primary care clinics, as defined, but provides exemptions from those regulations for specified clinics.

This bill would authorize a clinic operated or affiliated with an institution of learning that teaches a healing art and an intermittent clinic that is exempted from the licensing requirements, but nonetheless meets all validly adopted statutory and regulatory requirements making it eligible for or subject to licensure, to elect to be licensed.

Existing law authorizes a primary care clinic that has held a valid, unrevoked, and unsuspended license for at least the last 5 years and that meets other requirements to apply for, and be issued, a license to establish an affiliate clinic, without the necessity of the department first conducting an initial onsite survey. Existing law requires the State Department of Health Services to issue a license according to these provisions within 30 days of receipt of a completed application, or, if the department determines that an applicant does not meet the required conditions, to process the application in accordance with generally applicable licensing requirements.

This bill would provide that if the department denies expedited processing of an application for an affiliate clinic, the time period for approval or denial of the application under generally applicable licensing requirements is to commence on the original date upon which the completed application was received by the consolidated applications unit of the department.

The people of the State of California do enact as follows:

SECTION 1. Section 1205 of the Health and Safety Code is amended to read:



1205. (a) Except as provided in Section 1206, no person, firm, partnership, association, corporation, or public agency may operate, establish, manage, conduct or maintain a clinic in this state without first obtaining a license therefor as provided in this chapter.

(b) Except as provided in Section 1206, no person, firm, partnership, association, corporation, or public agency may provide a special service without obtaining a special permit therefor. However, a licensed clinic offering a service that is later designated by regulation of the state department as a special service shall be allowed to continue offering that service until the state department evaluates the quality of the service and issues a special permit therefor or notifies the licensee that it is not eligible for a special permit and must cease and desist from offering the service.

(c) An entity that meets all validly adopted statutory and regulatory requirements making it eligible for or subject to licensure under this chapter, and that meets the criteria set forth in subdivision (g) or (h) of Section 1206, may nevertheless elect to be licensed under this chapter.

SEC. 2. Section 1218.1 of the Health and Safety Code is amended to read:

1218.1. (a) A primary care clinic that has held a valid, unrevoked, and unsuspended license for at least the immediately preceding five years, with no demonstrated history of repeated or uncorrected violations of this chapter or any regulation adopted under this chapter that pose immediate jeopardy to a patient, as defined in subdivision (d), and that has no pending action to suspend or revoke its license, may file an application under this section to establish a primary care clinic at an additional site, which shall hereafter be referred to as the affiliate clinic. The department, upon receipt of the completed application, shall approve a license for the affiliate clinic, without the necessity of first conducting an initial onsite survey, if all of the following conditions are met:

(1) The existing primary care clinic, which shall hereafter be referred to as the parent clinic, has submitted a completed application for licensure for the affiliate clinic and the associated application fee.



(2) The parent and affiliate clinics' corporate officers, as specified in Section 5213 of the Corporations Code, are the same.

(3) The parent and affiliate clinics are both owned and operated by the same nonprofit organization with the same board of directors.

(4) The parent clinic has submitted evidence to the department establishing compliance with the minimum construction standards of adequacy and safety of the affiliate clinic's physical plant pursuant to subdivision (b) of Section 1226.

(b) The department shall approve or deny a license under this section within 30 days of receipt of a completed application. If approved, a license shall be issued within seven days of approval. If the department determines that an applicant does not meet the conditions stated in subdivision (a) and denies expedited processing of the application under this section, it shall identify, in writing and with particularity, the grounds for that determination, and shall instead process the application in accordance with the time specified in Section 1218. Under these circumstances, the time period for approval or denial of the application under Section 1218 shall be deemed to commence on the original date upon which the completed application was received by the consolidated applications unit of the department.

(c) Nothing in this section shall prohibit the department from conducting a licensing inspection at any time after receipt of the completed application.

(d) For purposes of this section, "immediate jeopardy to a patient" means a situation in which the clinic's noncompliance with one or more requirements of licensure has caused, or is likely to cause, serious injury, harm, impairment, or death to a patient.



Approved _____, 2004

Governor

